MESSAGE POINTS

1. Once again, the process in Washington went haywire and has transformed a reasoned debate about tobacco into a grab for new taxes.

2. Washington is up to its same old tricks and pursuing the same old agenda: more taxes and bigger government.

3. The June 20th Proposed Resolution offered the most comprehensive and realistic chance to resolve the tobacco conflict and change the way tobacco products are made, marketed and sold in this country.

Message One:
Washington Has Gone Haywire

- There is a Federal budget surplus of $75 billion, yet Washington wants to impose $500,000,000,000 in new taxes on those least able to afford them.

- The era of big government is supposed to be over, but Washington wants to create 17 new bureaucracies and give unelected officials the power to prohibit the use of tobacco products.

- Washington says it's concerned about crime, but would create an enormous black market in tobacco products.

Message Two:
It's the same old agenda: more taxes and bigger government

How much is enough?

- This is a big government money grab.

- Washington already makes more money from taxing cigarettes than tobacco companies do from selling them.

- But that's not enough. Washington now wants to become a tobacco profiteer, increasing its take fivefold.

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Source: https://www.industrydocuments.ucsf.edu/docs/gfbp0000

Who pays?

- The tax hits 47 million American adults who choose to smoke -- the majority of whom are lower- to middle-income people and thus least able to pay such a huge increase.

- More than half the taxes will be paid by people making less than $30,000 a year.

- The average smoker will pay $1,700 per year in cigarette taxes.

What happens?

- The price of cigarettes will rise from about $2-per-pack to $5-6-per-pack at the retail level. Washington wants you to think the increase will only be $1.10 a pack. It will be at least $3-per-pack.

- Huge tax increases alone won't reduce youth smoking: according to data from the U.S. Centers for Disease Control, 11 of the 13 states that raised tobacco taxes in the early 1990s experienced an increase in youth smoking in the years that followed.

- Creation of a huge black market in tobacco products, with unregulated access to kids.

  -- One truck of cigarettes carries 14 million cigarettes, which will be worth $3 million, readily resalable on every street corner where no one will check a kid's I.D.

- Big job losses: Nearly 2 million American jobs will be affected by the legislation currently pending in Congress.

  -- The livelihoods of 1.8 million Americans across the country whose jobs are tied to tobacco -- everyone from growers and manufacturers to industry suppliers, truckers, and retail store clerks.

- Washington creates 17 new federal bureaucracies.

- Taxes will be used to finance tax cuts for wealthy Americans and pay for new federal spending programs.

- Will it ever stop? Once government is hooked on these spending programs, do you think it will?

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Who Is Responsible?

- Who should teach children right from wrong: Big Government or parents?
- This debate needs to be about whether adult Americans can be allowed to make their own decisions in this own lives.
- It's about freedom of choice. 98% of cigarettes sold are smoked by those of legal age; only 2% are smoked by minors. This would tax 98% to influence 2%.
- It's an adult's right to buy a product fully aware of its risks, without the government telling them they can't because they don't want kids to have the same product.
- It's about the government's controlling what adults can see. Should the government decide that the colors on a cigarette pack are too dangerous to be seen in a convenience or grocery store?
- There is something fundamentally wrong with the government deciding to tax a product out of reach of adult consumers because Washington "knows what's good for you."
- There are only three ways to go on tobacco: prohibition with a nightmarish black market; government monopoly; or private enterprise. If private enterprise is the path we pursue, Washington needs a solution that attacks youth smoking while preserving the legitimate rights of adults to purchase tobacco products.

Message Three:
The benefits of the June 20th Agreement

- The proposed resolution of June 20th was a public health advocate's dream come true.
- It created the most sustained program ever envisioned by the public health community regarding the underage use of tobacco products.
- Matthew Myers: "This plan offers the best hope for protecting our children ...the single most fundamental change in tobacco control in the history of the world.
- One Attorney General: "This is the biggest public health achievement and corporate settlement in the history of the country."

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U.S. Experience

State	Tax Increase[1]	Change in Youth Smoking[2]	Time Period
Illinois	47%	23% ↑	1993-1995
Hawaii	15%	15% ↑	1993-1995
Nebraska	26%	11% ↑	1993-1995
Idaho	56%	0.7% ↓	1993-1995
California	270%	37% ↑	1988-1996

[1] All tax increase numbers are from "The Tax Burden on Tobacco," published by The Tobacco Institute.

[2] All youth smoking change percentages are from the 1993 and 1995 Youth Risks Behavior Survey issued by the U.S. Centers for Disease Control.

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Outside U.S.

Country	Retail Price Increase	Youth Smoking Change	Time Period
England	87%[3]	10% ↑[4]	1990-1996
France	105%[5]	3% ↑[6]	1988
Norway	36%[7]	0.6% ↓[8]	1990-1996
Finland	13%[9]	1.5% ↑[10]	1993-1995
Hong Kong	230%[11]	8% ↑[12]	1988-1993
Canada	55%[13]	29% ↑[14]	1990-1993

[3] Tobacco Manufacturer's Association – UK.
[4] "Smoking among secondary school children." Office for National Statistics – first release July 1997
[5] Centre de Documentation et d'Information sur le Tabac – (C.D.I.T.)
[6] "Tabac et Adolescents." Journee Mondiale sans Tabac, May 31, 1996.
[7] Industry estimates.
[8] "Tobacco consumption and attitudes in Norway – the development 1973-1995." National Tobacco Council, Oslo, 1996.
[9] Industry estimates.
[10] "Tupakkatilasto (Tobacco Statistics) 1995. Statistics Finland, 1996.
[11] Tobacco Institute of Hong Kong (TIHK)
[12] "Cigarette smoking patterns." Hong Kong Census & Statistics Department, 1997
[13] Canadian Tobacco Manufacturers Council (CTMC)
[14] "Health Canada. General Social Survey 1996." Statistics Canada.

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